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July 29, 2014

Ms. Jocelyn Boyd
Chief Clerk & Administrator
Public Service Commission of S. C.
101 Executive Center Drive
Columbia, SC 29210

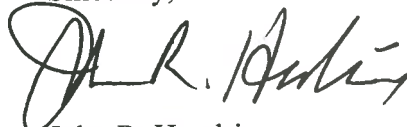
Re: Request of the Public Service Commission for Information on Termination of
Electric and/or Gas Service

Dear Ms Boyd:

Pursuant to the letter received from Mr. David Butler, Esq., dated January 13, 2005, enclosed is South Carolina Electric & Gas Company's (SCE&G) information regarding involuntary termination of both electric and gas customers' services. This report covers involuntary terminations in the second quarter of 2014.

A copy of this report is being provided to the Office of Regulatory Staff.

Sincerely,



John R. Hendrix

Enclosures

C: F. David Butler, Esq.
Catherine D. Taylor, Esq.
John W. Flitter
Byron W. Hinson
K. Chad Burgess
Nanette S. Edwards



System-wide Disconnect Statistics 2nd Quarter 2014

Reasons for involuntary termination:

- Safety – hazardous meter situations
- Energy Diversion
- Disconnect Non-payment

Safety:

- During the 2nd quarter of 2014, there was 1 active meter turned off for safety reasons.
- This meter was reconnected after repairs were made.

Energy Diversion:

- There were no meters disconnected due to Energy Diversion.

Disconnect for non-payment:

- 24,338 disconnect orders were completed during the 2nd quarter of 2014. This represents an estimated 21,904 unique customers. 96% of these customers are residential customers and 4% are non-residential.
- 72% of the disconnect orders generated were canceled due to a payment or arrangement (Deferred Payment Agreement, Short Term Arrangement, etc.)
- The average daily number of disconnect orders completed was 406.
- Of the customers who were disconnected 62% reconnected within a 24 hour period. 10% of customers were disconnected 2 or more times during this period.

**South Carolina Electric and Gas
System-wide Disconnect Statistics
2nd Quarter 2014**

Disconnects				
	DNP's Generated	Resolved	DNP's Completed	% Complete vs Generated
<u>April</u>				
Residential	28,898	20,504	8,394	29%
Non-Residential	1,824	1,457	367	20%
Total	30,722	21,961	8,761	29%
<u>May</u>				
Residential	28,384	20,485	7,899	28%
Non-Residential	1,735	1,380	355	20%
Total	30,119	21,865	8,254	27%
<u>June</u>				
Residential	25,802	18,740	7,062	27%
Non-Residential	1,524	1,263	261	17%
Total	27,326	20,003	7,323	27%
<u>Grand Totals</u>				
Residential	83,084	59,729	23,355	28%
Non-Residential	5,083	4,100	983	19%
Total	88,167	63,829	24,338	28%

Resolved indicates payment received or arrangements made (Short term arrangement, Deferred Payment Plan, Medical Certificates, etc.)

Reconnects

	Same Day Reconnect	One Day	Two Days	Three Days	Four Days	Five Days	> Five Days	No Reconnect	Total
<u>April</u>									
Residential	3,886	1,161	352	226	143	97	562	1,967	8,394
Non-Residential	141	49	21	9	6	8	30	103	367
Total	4,027	1,210	373	235	149	105	592	2,070	8,761
% Reconnected	46%	14%	4%	3%	2%	1%	7%	24%	
<u>May</u>									
Residential	3,849	1,044	336	187	122	80	499	1,782	7,899
Non-Residential	132	34	17	9	12	3	32	116	355
Total	3,981	1,078	353	196	134	83	531	1,898	8,254
% Reconnected	48%	13%	4%	2%	2%	1%	6%	23%	
<u>June</u>									
Residential	3,739	921	285	191	98	76	313	1,439	7,062
Non-Residential	122	23	13	5	3	5	13	77	261
Total	3,861	944	298	196	101	81	326	1,516	7,323
% Reconnected	53%	13%	4%	3%	1%	1%	4%	21%	
<u>Grand Totals</u>									
Residential	11,474	3,126	973	604	363	253	1,374	5,188	23,355
Non-Residential	395	106	51	23	21	16	75	296	983
Total	11,869	3,232	1,024	627	384	269	1,449	5,484	24,338
% Reconnected	49%	13%	4%	3%	2%	1%	6%	23%	

If payment is not received within 10 days of the disconnect date, the account is final billed.
Those accounts falling in that category are indicated by "no reconnect".



SCE&G Residential Delinquency Process

When a customer does not pay his/her utility bill, there are a number of steps that SCE&G takes to address the situation. The last step, and the least desirable, for dealing with a customer who has not paid his/her bill is to disconnect that customer's power.

Before any customer's power is disconnected, that customer is given multiple opportunities to pay a "past due" bill. The first past due notice is an attachment to the customer's monthly bill. It is displayed in the bill message portion and is marked "IMPORTANT NOTICE." This notifies the customer, at least ten (10) days prior to the possible termination of service, of SCE&G's intent to disconnect power. The notice displays a total of utility and non-utility related charges and complies with PSC Regulation 103-352A. The notice reads as follows:

BEFORE SERVICE IS DISCONNECTED

Your electric and/or natural gas service has been scheduled for disconnection because of non-payment. Under the rules and policies of South Carolina Electric and Gas Company, you have certain rights in this situation.

1. You have the right to an interview with the SCE&G local office customer representative at the address shown above who is authorized to accept payment or assist you in making deferred payment plan arrangements prior to disconnection. Contact our office between 8:00 A.M. and 5:00 P.M. Monday through Friday.
2. SCE&G intends to resolve any dispute or concern you may have. Call 1-800-251-7234 to have the staff of SCE&G investigate and review any dispute you may have concerning your service.
3. During the months of December through March, SCE&G will not disconnect a residential customer for a 30-day period, when furnished with a Medical Certificate signed by a licensed physician. If disconnection of your service would be dangerous to your health or a member of your household, obtain the Medical Certificate form from your SCE&G local office, have it completed and signed by your licensed physician and return the form to us prior to disconnection.
4. SCE&G's Customer Assistance Department works with elderly, handicapped and other special needs customers who require help from local agencies.
5. If a dispute cannot be resolved, the Office of Regulatory Staff is available at 1-800-922-1531 to investigate and review any unresolved dispute between SCE&G and the customer.

Four days prior to the forecasted disconnect, the customer is mailed a second notice, providing yet another opportunity to bring the account into good standing. This notice complies with PSC Regulation 103-352b, and includes options for customer to avoid disconnection or to communicate disputes.

In addition, third party notification is available to a customer that requests another individual to be notified before service is disconnected.

SCE&G does not disconnect services to its customers if the 24 hour-forecasted temperature is 32 degrees or below or 99 degrees or higher, or when adverse weather (ice storm, hurricane, major storms) impacts its service areas. In all cases, the company tries to use good judgment.

Service disconnects, especially those that coincide with inclement weather, are handled on a case-by-case basis, and include a consideration of immediate weather forecasts and a review of the customer's payment history.

As noted above, from December through March, SCE&G will not disconnect power for a 30-day period if a customer furnishes a physician-signed medical certificate stating that the customer or a member of the household has a health requirement that prohibits disconnection of service. These certificates are required by Federal law and upheld by the PSC.

In instances where a customer has demonstrated a good faith effort to pay the bill, but is struggling financially, SCE&G works directly with that customer to develop payment options that are tailored to the customer's individual situation. Those options include:

- . Short Term Arrangements – Allows a currently forecasted disconnect date to be stopped and deferred to the next forecasted disconnect date. In addition, any notices that have not been mailed to the customer are stopped.
- . Deferred Payment Plan – A payment plan designed to allow a customer to pay his past due amounts in monthly installments.

SCE&G Customer Representatives and Field Service Representatives are trained to identify customers with medical and/or special needs, and help them understand the types of financial assistance programs that may be available to them. Among those programs:

- White Cross – Provides a courtesy service for customers who require medical equipment in their homes. A courtesy call is made prior to disconnecting special needs customers. SCE&G has approximately 6,086 White Cross customers. When these customers are delinquent, SCE&G customer service representatives place courtesy phone calls to remind them that they are late in paying their bill.
- Weatherization – Some customers need help making their homes more weather resistant. Through employee volunteer efforts and corporate donations, SCE&G supports programs sponsored by local energy offices throughout the state to help many such customers. This program helps customers control their energy bills by weatherizing their homes so they can be heated and cooled more efficiently. Since the program began in 1983, more than 5,836 homes have been weatherized throughout South Carolina.
- Low Income Home Energy Assistance Program – South Carolina's Low-Income Home Energy Assistance Program helps people with their heating bills. The amount of assistance provided depends on the heating fuel used and the applicant's income. Since the program began in 1980, more than \$114 million in assistance has gone to SCE&G customers. To be eligible, families must meet federal standards of a low-income household.

- The SCE&G Employee Good Neighbor Fund – funded through the generous donations of SCE&G employees and retirees, this program provides temporary aid to individuals and families who are experiencing extreme financial difficulties and have exhausted all other sources of help. Funds are administered exclusively through employee referrals to provide essentials such as food, medical, and shelter expenses. In 2013, more than 290 families received financial assistance through this program.
- Project Share – SCE&G collects money via bill inserts, bill message, etc. to assist customers. These funds are administered by state agencies and the Salvation Army. Since 1986 almost \$8.3M in contributions assisted 45,100 customers. In 2013 more than \$200,000.00 in contributions assisted 466 customers.

SCE&G customer service representatives regularly refer customers in need of assistance to local community action agencies, as well as state and private agencies that specialize in providing that assistance. SCE&G's Website, www.sceg.com, publicizes a summary of available assistance.